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From:

Sent: Monday 5/11/2009 10:53 AM

To:

Cc:

Subject: Email Questions

I spoke with regarding your issues- here is what we can do:

1. Recapture Issue: I will send you an email CCA- when do you need it by?
2. As for the exit strategy, we are still at odds with you on this issue. If person A takes a loan out from person B, and then B forgives the loan, there is no cap gains on that transaction. Now, under normal circumstances, A would have to pay taxes on the forgiveness of the loan, but in your scenario, we have a non-profit who doesn't pay taxes at all, so they wouldn't have that issue. Why would the result change because credits are involved? Just a thought.